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UNITED STATES DEPARTMENT OF AGRICULTURE
PRODUCTION AND MARKETING ADMINISTRATION
5 South Wabash Avenue
Chicago 3, Illinois



MIDWEST INFORMATION SUMMARY

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~~Declassified~~

To: ~~12/54~~ Assistant State Directors, Production and Marketing Administration

From: Walter W. John, Chief, Information Service, Chicago, Illinois

Walter W. John
This is the second in our series of weekly letters entitled "Midwest Information Summary" intended to bring you up-to-date on what's happening behind the scenes in various P.M.A. programs. Please take care that it is used only for administrative purposes.

Fat Salvage

Several complaints received recently and passed on to your offices indicate that problems in the collection of used fats may be increasing. Several housewives are saying that grocers and meat markets do not take their used fats and some retail stores say they are discontinuing collection because renderers are not picking up their fats. We appreciate your cooperation in looking into these complaints and doing whatever you can to improve the collection system in your state. Please let us know what action is taken on the complaints we forward to your office.

To enlist the cooperation of county agricultural conservation offices of the Field Service Branch, the Missouri state office recently prepared a list of all renderers in the state and sent it out to county offices. In that way any complaint from a merchant that used fat is not being picked up by renderers can be quickly corrected by the county office.

The need for used fats continues critical especially in view of the present food emergency program to provide 375,000 tons of fats and oils to relieve hunger in war torn countries this year. Let us know if we can be of any help to you from an information standpoint in the fat salvage program.

Mr. Penn Thompson, Field Representative for the American Fat Salvage Committee, will be glad to assist you with any fat salvage activities. He can be reached through this office and serves the entire Midwest area.

Food Emergency Program

Since you are now receiving a steady flow of releases and background information on the food emergency directly from Washington, we will not be preparing as much public relations material as during the past few weeks, but will be happy to provide any special information you would like, such as a radio talk, speech material, or press release.

Here are some ideas that various states are using to help promote interest in the food emergency campaign and which may be of interest to you.

Milk distributors in St. Louis have agreed on printing a special message on a paper cap for milk bottle tops to be used throughout the St. Louis area.

In Grand Rapids, Michigan, the Adcraft Club is cooperating with the food emergency committee by furnishing 25,000 14x22 posters calling attention to the need for saving food for hungry millions.

The Assistant State Director's office in Ohio carries these slogans at the bottom of letters --- EAT LESS WHEAT PRODUCTS - SALVAGE AND SAVE FATS AND OILS - PLANT GARDENS, PRESERVE FOODS - SHARE WITH THE LESS FORTUNATE - FIGHT FAMINE WITH FOOD.

The state office in Iowa sent a letter to school superintendents in the principal cities recommending use of the skit "The Third Freedom" as a play for presentation in various classes, such as English. We have a good supply of these skits on hand in case you need extra copies.

Grain Branch

Secretary Anderson last week approved arrangements whereby CCC will receive donations of wheat for famine relief for delivery to UNRRA. Free offerings will be accepted in not less than carload lots at country points, terminal markets, or lake or ocean ports. Donors will be asked to give to nearest Grain Branch area office advance notice as to location and quantity of wheat offered, when available, where it can be delivered, and whether freight prepaid or collect. CCC will not take title and will be reimbursed for transportation costs and other expenses in getting wheat aboard ship. UNRRA pays the freight.

Next 12 weeks will be toughest period in meeting wheat and flour export goals. April-June total must be more than 3 million tons to meet January-June goal of 6 million. Wheat purchase program announced last week expected to loosen marketing log-jam and get surplus wheat off farms. Details of purchase operations will go to county committees and country elevators. Meanwhile, farmers should be urged to send wheat to country elevators, and get receipt for deliveries. Wheat purchase program clears way for farmers who may have been withholding for higher prices.

Materials and Equipment Branch

Number of preference certificates issued veterans has increased sharply each month --- from only 751 last July to 54,661 in January and 60,917 in February. More than 200,000 certificates issued to date. Veterans in Iowa received total 6,603, Ohio 4,980, Illinois 4,844, Nebraska 4,107, Indiana 3,592, and Kansas 3,546. Number of certificates for individual items during February were tractors 16,265, plows 8,807, harrows 7,142, cultivators 7,757, planters 4,231, combines 3,245, corn pickers 1,920, grain drills 1,581, mowers 4,766, rakes 1,450, and hay balers 2,195.

Special Commodities Branch

Availability of galvanized sheet steel for manufacture of ice cans seriously reduced by steel strike and reduced output will be prolonged by coal strike. Nine important new ice plants and additions to existing plants will be delayed in starting operations. These plants hold priorities, but very little can be accomplished in up-ratings except to direct first available cans their way. Early perishable shipments bound to suffer.

Although some retail stores still have bottled honey and few bottlers have enough honey on hand to care for customers for several months, many other packers are closed down because unable to obtain bulk honey for processing and bottling. Some bakers who manufacture only honey products are closed down completely, while others, including some of largest in country, are using invert or high test molasses, which has become available from defense supplies for production of industrial alcohol and does not require sugar ration certificates.

Shipping and Storage Branch

Embargo limiting box and refrigerator car shipments to New York continues in effect. Embargo placed in effect March 25 also prohibits all export freight, except bulk grain and shipments under permits issued by Association of American Railroads, consigned to Philadelphia and Baltimore where consignee is USDA, British Ministry of War Transport, or UNRRA. AAR has issued blanket permit for shipments of hay and livestock at Baltimore.

and the other two from Bulgaria. The first
was a small, pale, yellowish-green lizard,
about 10 cm. long, with a very slender body
and a long tail. It was found in a dry, open
area, with sparse vegetation, and was seen
to be feeding on small insects. The second
lizard was larger, about 15 cm. long, and
had a more robust body. It was found in
a similar area, but was more active and
was seen to be hunting small insects. Both
lizards were seen to be active during the day
and to be resting at night. They were
seen to be active during the day and to be
resting at night. They were seen to be active
during the day and to be resting at night.

Arrangements made with Army Quartermaster Corps to expedite movement of first 50 carlots of dehydrated potatoes from Buffalo to New York by April 19. Midwest meat packers still unable to get sufficient lard to fill contracts and having difficulty getting boxes.

Livestock Branch

Testifying on meat situation before House Agricultural Committee, April 4, Secretary state that among other measures under consideration for channeling livestock slaughter into legal channels, was re-establishment of slaughter quotas under OPA's control order. No telling now when quotas might be re-established. USDA delegated authority for administration of slaughter quotas to OPA in April, 1945.

Interest in meat situation becoming more acute. Issuance of statement on second-quarter meat allocations --- probably this week --- should help clear air. Meanwhile, about all we've been able to say is that civilian supply for second quarter will be lower than first quarter, but somewhat above second quarter of 1945 --- tightest of entire war period --- when per capita meat supply was 115 pounds on annual rate. Civilian per capita supply in first quarter of 1946 was from 15 to 18 pounds higher than for first quarter of 1945.

Dairy Branch

Following series of meetings last week among USDA, OPA, and OES representatives, announcement expected on proposed measures to adjust prices, etc., for dairy production.

Dairy products markets continue very firm. Gradually increasing milk flow has resulted in ample supplies for fluid distribution. However, increases in milk supply for use in manufactured products remain limited and barely noticeable on consuming markets.

Cotton Branch

Registered cotton sales and consignments under CCC export programs have averaged about 200,000 bales a month during past four months...Exports increasing, and with considerable movement to Japan during next few months, 1945-46 season exports may total 3,500,000 bales. Domestic mill activity also expanding.

Fruit and Vegetable Branch

Fresh citrus fruits, potatoes, carrots, and lettuce expected to be plentiful in greater part of United States in May. In North, locally grown spring vegetables from truck farms and market gardens should also be abundant. Such vegetables as radishes, rhubarb, scallions, kale and spinach expected to be plentiful.

This Branch, in cooperation with Information Services, is working out detailed explanation of potato price support standards and responsibilities primarily to have better trained personnel in field. Branch hopes to keep Government from getting poorer potatoes than bargained for.

Food Distribution Programs Branch

Branch people trained in dealing with distributive trades associations such as hotel and restaurant groups, chain stores, wholesale and retail associations, etc., working very closely with Famine Emergency Committee in organizing these forces to help save food. All contacts with national groups will be taken care of by Washington office. Field men will take care of State and local groups.

Poultry Branch

Prospects of hatchery order this year grow dimmer and dimmer as indicated by meeting last week between Poultry Branch and Grain Branch officials and industry representatives. Industry representatives expressed growing confidence in effectiveness of voluntary output control by industry.

After slight delay, negotiations nearly completed for purchase of frozen eggs for Great Britain --- possibly 35 million pounds. Announcement expected early this week.

Branch has completed preliminary revision of "Standards of Quality for Individual Eggs and Consumer Grades for Shell Eggs" --- to be distributed to cooperating Federal and State groups and agencies to obtain suggestions for final revision.

Compliance and Investigation Branch

For violations enrichment provision WFO-1 (bakery products):

George H. Leidenheimer Baking Company, New Orleans, fined \$250; Joseph Jamrus, Jamrus Bakery, Cleveland, fined \$100 and costs: Luizza Brothers Day Light Bakery, New Orleans, --- Peter and Philip Luizza fined \$75 each. Criminal Information filed against: General Baking Company, St. Louis, and Harry A. Smiley, general manager, for violations of consignment provision, WFO-1; Paterson Abattoir, Fairlawn, N.J., and Morris Mlotok, president, for violations, WFO-75.2 (beef).

Federal Crop Insurance Corporation

Corporation in full swing on last minute drive to complete corn insurance sales program which closes shortly.

Sugar Branch

Meetings between U. S. and Cuban sugar negotiators continue but no forecast possible as to outcome.

Marketing Facilities

Carloadings of grain and grain products for week ended March 23 totaled 82,467 cars, down 1.1 percent from loadings previous week and 5.1 percent from loadings for corresponding week last year - first time in 1945 market has shown declines over failed to comparable loadings last year. Although seasonal trend at this time is normally downward, no real market support appears for railroad loadings held grain loadings up. However, rail sufficient grain for sale and shipment.

Livestock loadings very heavy for this time of year, but stock car supply adequate, and no transportation difficulties reported.

Perishable loadings of food for week ended March 23 were 34,874 cars -- increase of 11.3 percent over corresponding week of 1945.

FSC issued order, effective April 5 and expiring September 15, prohibiting initial icing and re-icing in transit at any point east of Mississippi River of ears of potatoes originating in Alabama, Georgia, Florida, South Carolina, North Carolina, Virginia, West Virginia, Maryland, Pennsylvania, Delaware, New Jersey, or New York (Long Island only).

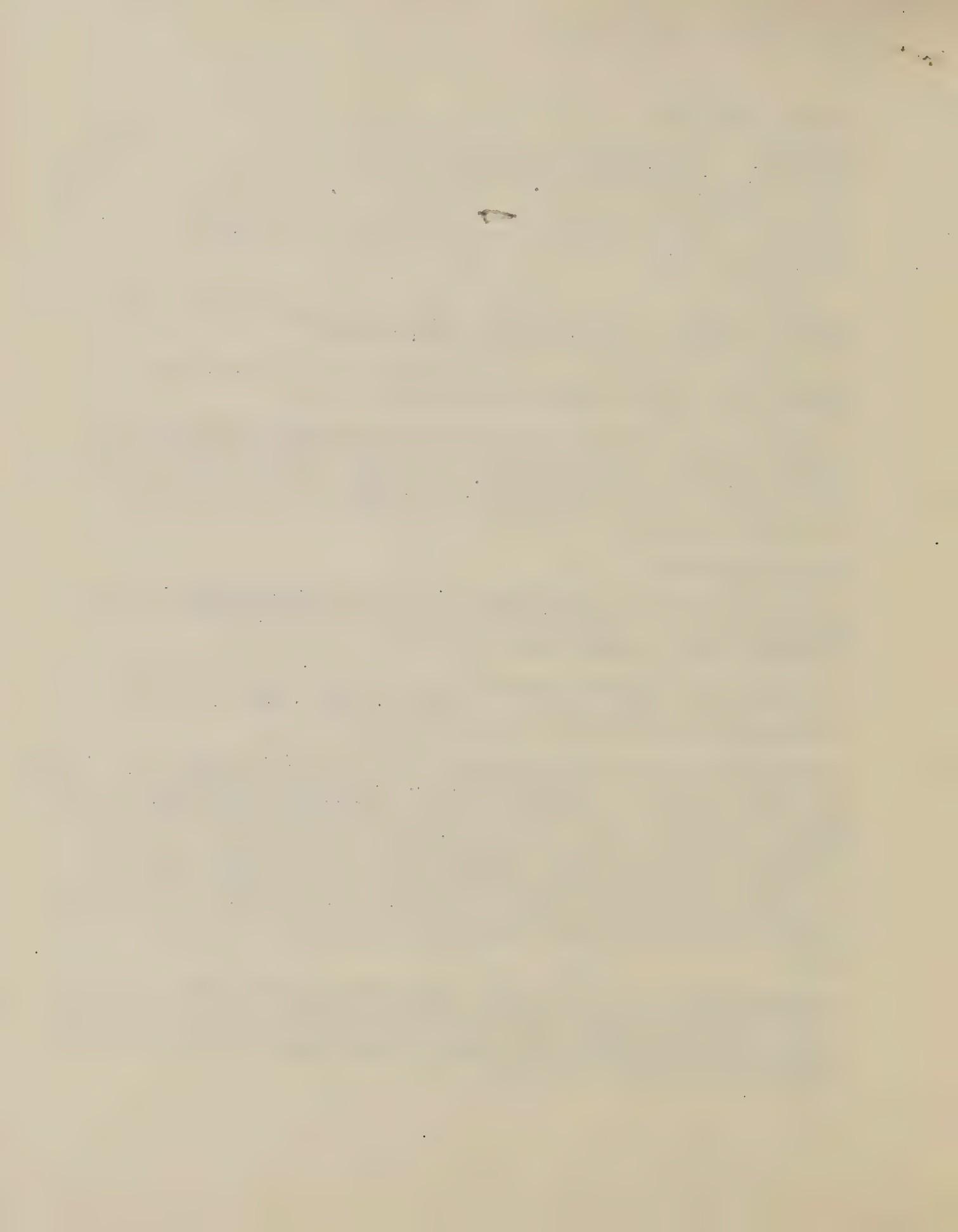
Trend of the Markets

The midwestern livestock market last week was featured by strong to 25 cents higher prices for most slaughter classes of cattle and fat lambs, while hogs continued to sell generally firm at ceiling.

One reason for the improved trend was the smaller marketings of livestock, at least at the big terminal markets. At the same time, offerings of hogs direct to packers in Iowa and Minnesota were much smaller.

Order buyers and small killers continued to buy most of the cattle. Any weakening effect which OPA's order limiting the custom slaughter of cattle may have had on the trade was offset by the light receipts. Big packers occasionally showed more interest in buying cattle at the going prices, but this was not because it was easier to buy them within OPA compliance limits. It was the first week of a new Federal accounting period. Average drove costs over these periods must be within OPA limits or the packer risks the loss of his federal subsidy. So, any increased purchases may have been largely a gamble on the part of the big packers in the hope of cutting down their average costs later in the accounting period.

Very few cattle were choice enough to bring ceiling prices ranging from \$17.00 to \$18.00 at most cornbelt markets. The \$18.00 ceiling at Chicago was reached only on a few consignments. Most of the good and choice steers and yearlings sold from \$15.25 to \$17.50, with medium and good shortfed offerings from \$15.00 to \$15.00 and above at some points.



Wheat consistently sold at ceiling prices everywhere, at least one additional wheat ceiling went into effect. A larger percentage of the total supplies consisted of fall wheat, many of which sailed below 150 lbs. Undoubtedly, this reflects the tight feed situation in some areas.

The high prices for the season highlighted the trade in the South. Closing prices on live hogs were strong, 20-25 cents above the levels prevailing at the end of the previous week. As a matter of fact, the closing day of March in Atlanta was the highest since March of 1943. Advances of up to 25 cents were reported at that particular market.

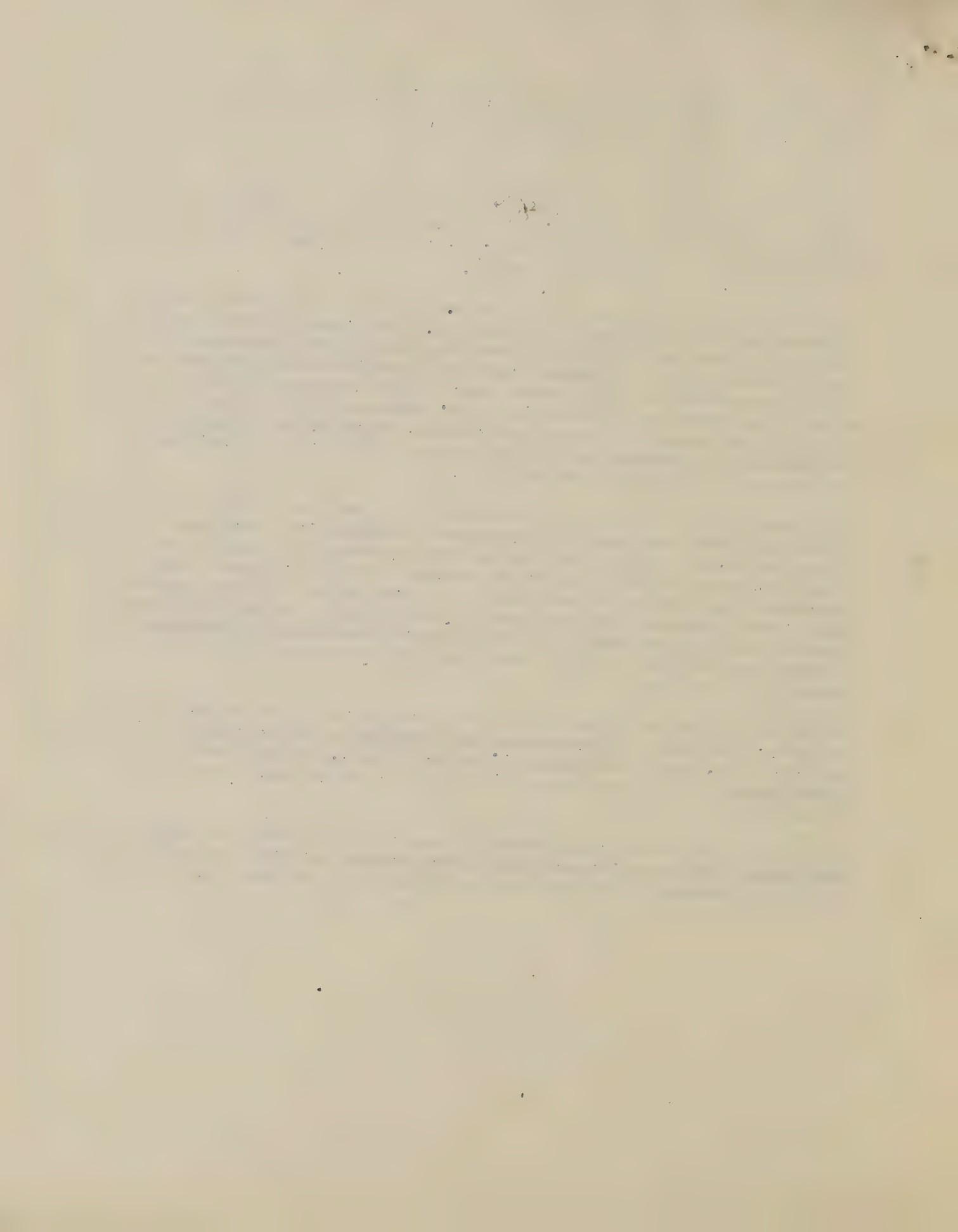
The feature of the grain market news was, of course, the purchase program announced by the Department of Agriculture. Many trade members interpreted this to mean that the movement of wheat will henceforth flow almost entirely through Commodity Credit Corporation channels, with allocations made to mills and feed manufacturers after export requirements have been filled. In any event, it is sincerely hoped by all trade interests that the Department's order will pry wheat from farms into channels where it is so badly needed. The purchase announcement had no influence on prices of cash grain which remained tightly pegged at ceiling.

Among the fresh fruits and vegetables selling at ceiling prices on the Chicago wholesale market were tomatoes, apples and strawberries. Snap beans sold close to ceiling, while cabbage was firm to slightly stronger. Broccoli was higher, along with green peppers. Asparagus weakened early in the week, only to strengthen again at the close. However, prices on the whole were generally high. Sweet potatoes were unchanged, lighter supplies of old crop white potatoes were firm to slightly stronger for the best quality offerings. New potatoes were slightly weaker. The first new crop onions from Texas sold generally at ceiling.

Prices of eggs on the Chicago wholesale market were easier during the week, reflecting increased production and the inability of first receivers to clear all offerings. Top grade eggs held up fairly well, but the lower grades were under pressure. The best demand was for graded white eggs for the coming Easter trade.

Meanwhile, live poultry sold generally steady to firm with most classes bringing the higher ceilings which went into effect during the week. Supplies of butter and cheese generally were short of the demand and also held firm at ceiling.

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To: 12/54 ~~PA~~ Assistant State Directors, Production and Marketing Administration

From: Walter W. John, Chief, Information Service, Chicago, Illinois

April 16, 1946

Walter W. John

Food Distribution Programs Branch

Two-hundred Food Distribution Advisory committees now operating on conservation programs. A 10-point program for their use recommended by Branch Director Stark, and added points gathered from States are being passed on quickly by Washington office.

Grocery Manufacturers of America have been contacted and are considering printing and distribution of 1½ million 2-color conservation posters.

Industry operators have been contacted and copy discussed and approved by them for a 4-page illustrated leaflet on ways public eating houses can help fight famine. Will be distributed to National, State, and local hotel and restaurant associations.

Branch Administrative Letter No. 3, out few days ago, bring out two points all famine workers should continue to stress: That successful promotion of abundant foods will (1) cut food waste in distribution channels and (2) reduce demand more for scarce items urgently needed abroad.

American Fat Salvage Committee has tied in with Famine Emergency Program and is now offering several size mats to newspapers for local sponsorship. These feature "hunger" pitch with fat salvage very incidental.

Grain Branch

Farm wheat stocks report issued this week indicates wheat situation still tight, but there is good fighting chance to reach export goal of 225 million bushels with shipments during first half of 1946...if all emergency measures are carried through to successful conclusion.

There should be no let-up in pressure behind all campaign activities.

Sugar Branch

No word yet from Cuban Commission on 1946 crop purchase proposals presented by U. S. Committee, but definite word in prospect this week.

Also authorizations have been issued on 10 of the 12 million gallons high test molasses stored in Florida. Applications totaled over 40 million gallons.

Livestock Branch

Meat allocation still hung up, but final action expected any day.

Dairy Branch

Dairy products market continues firm to intensely firm. Increasingly strong competitive demand for butterfat, centering in Wisconsin and Minnesota areas. Milk also gaining slowly but below last year's level. Cream demand increased. Paying prices in Midwest advanced from 1 to 3 cents per pound butterfat past week. Butter and cheddar cheese continue far short with only small fraction of demand satisfied. Incorporated milk production slow to expand with many independent packers reported as having sharply reduced production because of highly competitive fluid milk prices. Condensed milk acutely short with sugar dominant factor. Tie-in sales and over-ceiling prices reported. Trade looking for upward price ceiling revision on dairy products as production stimulus.

Special Commodities Branch

U. S. cold storage holdings of fish and shellfish estimated to be 80 million pounds April 1 - about double last year's holdings and all-time high. March out-movements of frozen fish approximately 19 percent greater than in February. Landings in major ports increasing seasonally but still only 77 percent of year ago. Curtailment of landings in Boston and Gloucester is main reason for decrease from last year. At present no indications that filletors strike in Gloucester or present disagreement between Boston fishermen and boat-owners will be settled soon.

Proposed amendment to WFO-66 would further restrict use of rice by brewers to not over 70 percent of rice used in 1945...Would also define refined grits as "grain product" rather than as "grain."

Canadians have advised that they contemplate pooling production to meet U. S. demands for vitamin A oil, and requested that we defer calling meeting of Vitamin Committee pending developments of production.

Materials and Equipment Branch

Strikes settled in International Harvester plant, producer of approximately 25 percent of tractors and 25 percent of farm machinery. Production for 90 days, valued at approximately \$5 million dollars, lost from average annual farm machinery production of about 700 million dollars. Other large plants still out of production by strikes include J. I. Case and Allis-Chalmers.

Market for adequate supplies of fungicide and insecticide generally good. Arsenicals, sulphur, fluorine compounds, and pyrethrum generally adequate, but derris, other aluminum insecticides, and nicotine not too plentiful. Strikes in plants producing lead, zinc, and copper affected production of some insecticides and fungicides.

Poultry Branch

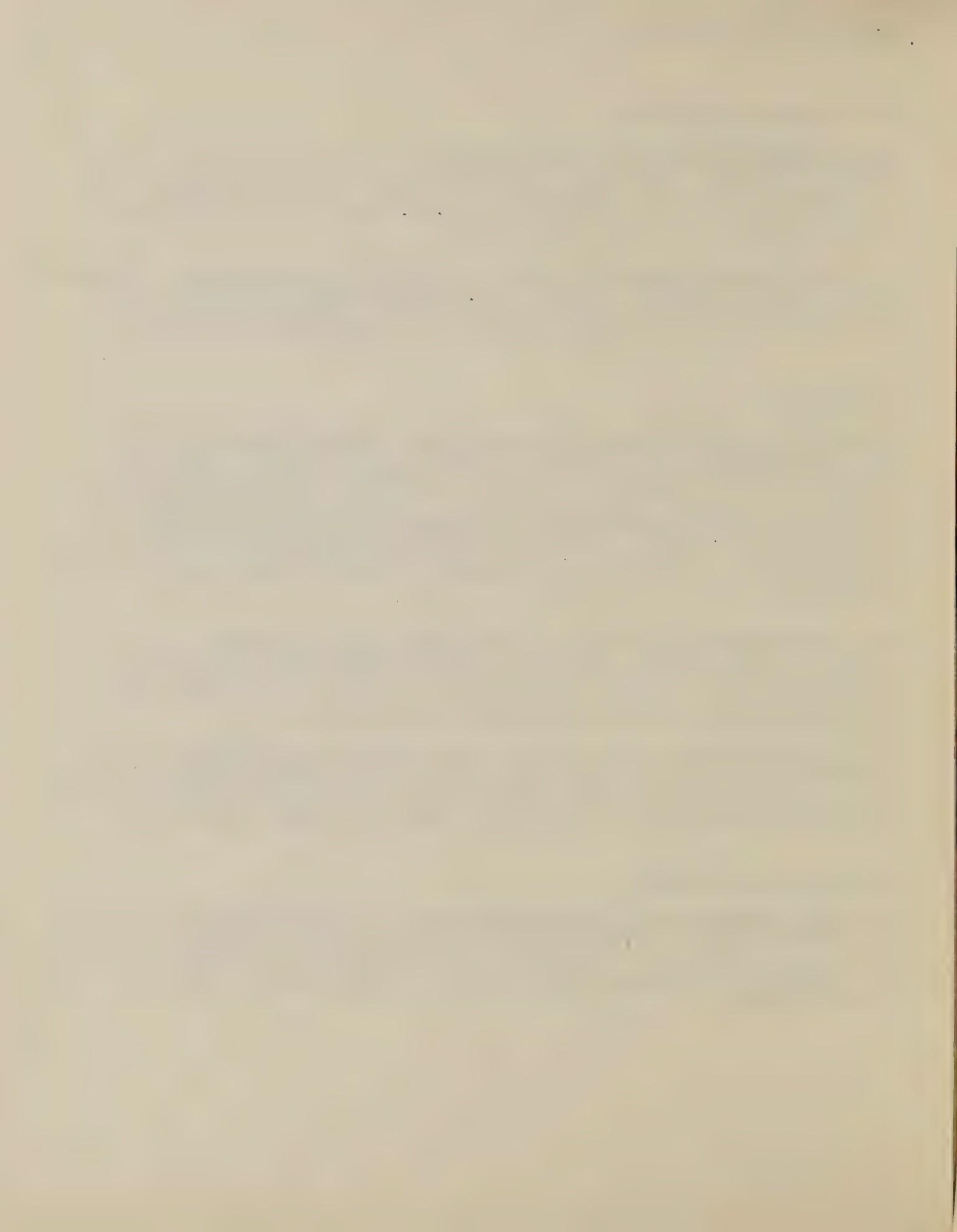
Renewed drive to obtain faster and greater rate of culling throughout Nation is under consideration and probably will be advocated by the Branch. April 10 N.E. production report indicates culling far behind schedule in nearly all sections. In other words, culling thus far in 1946 has been "normal," but still far behind as it concerns poultry and egg production goals and general feed situation. Branch analysts, using NAE report as basis, have prepared figures showing how much culling remains to be done in each State...Figures being mimeographed, and with culling tools already on hand, will provide ammunition for regional use in farm news and radio material.

Poultry meat consumer-use program may need further slowing up in spots.... Southeast is one of these. Prices there are going black because little shortage poultry is available in area, and supplies generally limited to current stocks. Branch taking survey of general situation and will advise Food Distribution Programs Branch and Information Service when and where to temper drive.

Once again there seems no immediate cause for excitement in egg situation. Branch reports development of some price disparity due to Easter demand for top grades and consequent slower demand for lower grades. Stocks have continued to move into storage in good volume, total holdings April 6 in 35 cities being nearly 3,180,000 cases.

Marketing Facilities Branch

Record high refrigerator car loadings continuing and total perishable loadings for week ended March 30 were 35,005 carlots, 16 percent increase over corresponding week last year. Greatest factor contributing to large loadings is improved handling of cars. Movement of empties now being directed to Florida, Alabama, California, Arizona, and Texas.



~~Interstate Commerce Commission has reduced penalty demurrage charge for third and fourth days, and \$11 for each succeeding day (charges for delay up to \$44 per day).~~

~~Unusually high livestock carloadings at this time partly accounted for by heavy export movement under U.S.D.A. program to purchase meat for UNRRA. High level of movement expected to continue through May and June and to show increases of about 6 percent over last year.~~

~~Hearings continue before Senate Committee on Interstate Commerce with reference to S.R. 3534, the Bulwinkle Bill, to authorize exemption from anti-trust laws of agreements entered into by common carriers or freight forwarders upon approval of agreements by ICC. U.S.D.A. endorsed part of bill that would permit agreement upon freight rates and charges. Called for disapproval of legislation unless bill is modified to eliminate approval of agreements on other matters, such as payment of losses and damage claims and train schedules, and to provide adequate safeguards to public interest in agreements relating to rates and charges. Specific amendments to insure those safeguards suggested.~~

Fruit and Vegetable Branch

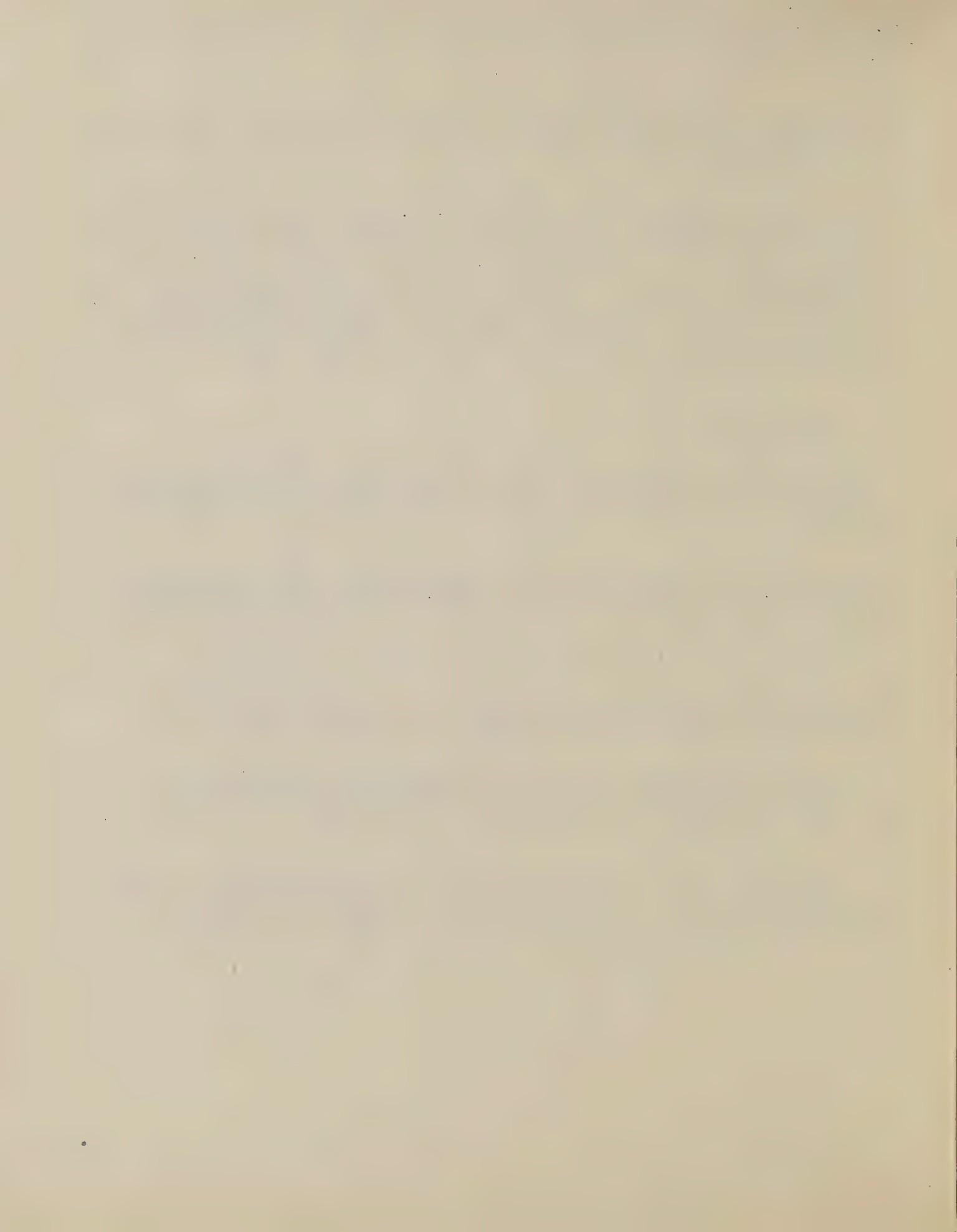
~~Reports from special survey of Red River Valley situation indicate about 8,000 cars of lean potatoes remaining --- 3,000 in North Dakota and 1,000 in Minnesota. Reimposition applied for on about 2,000 cars in North Dakota and 500 cars in Minnesota.~~

~~Contract being set up to facilitate purchase of surplus potatoes from spring-sugar crop by alcohol processors and feeders. Potatoes will be sold on bid basis, but bidder must allow inspection of his premises to show what he intends to do with potatoes. They must be used only for nonfood purposes. Since potatoes harvested this season are immature, any attempt to export them would be wasteful.~~

~~Heavy fresh carrot supplies may develop in May, due to 75 percent increase over last year in Arizona spring harvest, combined with decreased requirements for dehydration. Methods of handling possible surplus being considered.~~

~~All stocks concentrated and single-strength orange juice declared surplus by Army, and CCC stocks concentrated lemon juice and concentrated grape-fruit juice, have been sold. This completes sale of all stocks citrus products now in inventory, except small quantity concentrated orange juice.~~

~~Some concern felt regarding large stocks frozen fruits now in storage. Estimated that 65 percent of total is owned by preservers who lack sufficient sugar quota to utilize this large volume...Termination of Army purchases of jams and jellies last fall probably most important factor responsible for these large holdings.~~



Shipping and Storage Branch

Embargo limiting use of refrigerator car equipment to port tank and storage tanks, except shipments except bulk grain and livestock to California ports, is effective. Philadelphia remains embargo prohibiting all ocean freight to that city effective April 1. Embargo limiting export freight car movement, Galveston, New York City continues in effect. Cooler storage space very scarce at Houston, Galveston, Dallas, and Fort Worth.

Midwest packers having difficulty getting sufficient lard and packaging materials to fill contracts.

During first quarter 14 million bushels wheat and 2 million bushels of shunt are now exported through Northwest Pacific ports.

Compliance and Investigation Branch (Midwest Area)

For violations of:

WFO-TR-2 (diversion of more than 740,000 lbs. of set-aside beef): Herbert S. Baron, General Manager, Holbrook Meat Company, Chicago, Illinois, \$10,000, Federal Court, Chicago, Illinois, April 16, 1946. Fine paid.

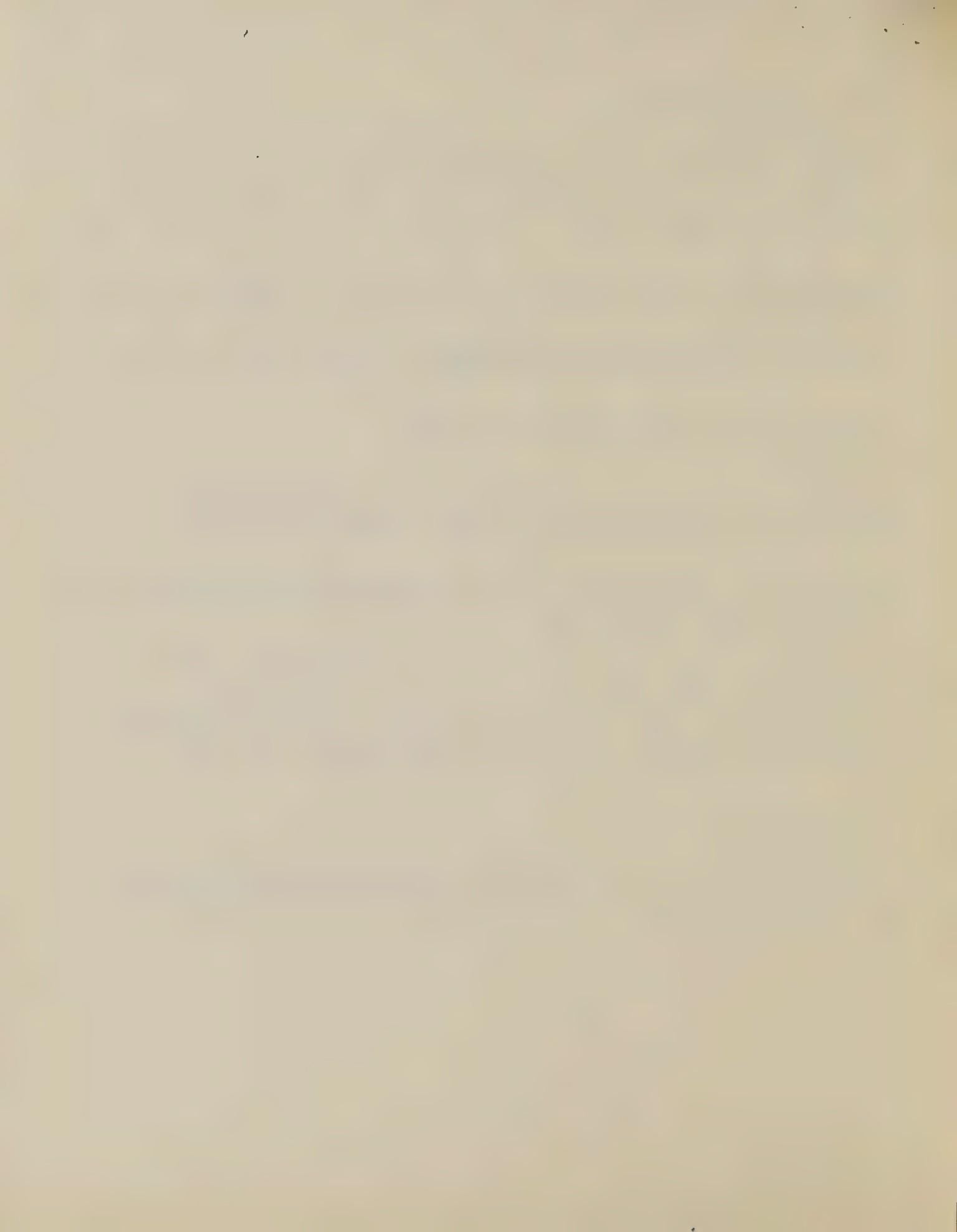
WFO-2 (using milk solids and fats, in excess of quota restrictions): Charles J. Dwyer and Earl Bitchey, partners Utica Ice and Ice Cream Company, Utica, Ohio, \$100.00 fine each. Federal Court, Columbus, Ohio.

WFO-1 (failure to enrich white bread and rolls): William Schwartz, owner Solomont Bakery, Columbus, Ohio. \$100.00 fine, U. S. Federal Court, Columbus, Ohio.

Dairy Feed Subsidy. Federal Grand Jury at Sioux City, Iowa, has indicted Wilbert Fink, Custer, Iowa farmer, for filing false claims for Dairy Feed Subsidy payments, 8 counts. To be arraigned, Dubuque, Iowa, April 23, 1946.

Trend of the Markets

Another upward trend in cattle prices and new high levels on fat lambs in more than a year were reported at many of the midwestern livestock markets during the past week, in the same time, all trading centers again reported ceiling prices for hogs.



The improvement in fed cattle prices, amounting to as much as 30¢ on steers and 20¢ on heifers, reflected the continued competition for supplies by shippers and small local independent packers. Such buyers again bought one-half of the cattle supplies. At Chicago, shippers were estimated to have taken approximately 75 percent of the receipts at this point. As a result, large buyers — including the so-called Big Four — received the lightest supply of cattle in years if not the lightest on record. They say they cannot buy cattle at prevailing prices and stay in compliance with OPA regulations.

The stronger prices, coupled with an improvement in quality, resulted in more prime and choice steers bringing from \$16.80 to \$17.50 than in recent weeks. However, few were qualified for ceilings ranging from \$17.65 to \$18.00 at most of the cornbelt markets.

Cornbelt feeders were active purchasers of replacement cattle, paying a only to 25¢ higher prices for such stock. At Kansas City, stocker steers weighing around 800-lbs., sold up to \$16.85 which was a new high price for the season on yearlings.

Marketers of hogs were on a somewhat larger scale than during the preceding week and quality likewise improved. But there was seemingly no limit to the demand and buyers again paid ceiling prices for any and all offerings with any slaughter market, and also for fat lambs, on which there are no ceiling restrictions.

A series of strong to higher markets early in the week were climaxed with sharp advances near the end of the period. As a result, closing prices were from 20¢ to as much as \$1.00 above those prevailing at the end of the previous week. Advances of 50 to 75¢ were quite common at most of the Missouri River markets. Closing top prices were quotable at \$16.50 or above at all cornbelt trading centers, reaching a peak of \$17.10 at Chicago. This price, plus the federal subsidy of 50¢/15, brought net returns to producers to the highest level in twenty-six years.

New all time high prices for rye highlighted the futures market for grain at Chicago. Oats more or less followed the action in rye, while wheat, corn and barley were relatively inactive as these grains held tight against the ceiling. There was virtually no cash grain trade at Chicago or at the other mid-western terminals as most of the arrivals were applied on previous contracts.

Broccoli was among the more plentiful fresh fruits and vegetables offered for sale on the Chicago wholesale market. Prices were substantially lower, except for Illinois asparagus which held fairly steady. Lettuce, too, was in liberal supply, but prices managed to remain about unchanged. Light offerings of snap beans brought mostly ceiling levels, while moderate receipts of cabbage edwarded on most days of the week to close at relatively high prices. Fair demand for

Carrots held prices steady to firm on this item, while good quality Goldenbeets usually demanded higher levels. Local type celery was relatively high priced; it was enough, despite a slight decline. Supplies of old crop potatoes were light and prices were stronger, while new crop offerings held firm. Ceiling limitations were removed from strawberries at the end of the period and prices advanced on this fruit. Meanwhile, light supplies of apples held firm at ceiling, along with most offerings of oranges.

Chicago wholesale prices of eggs moved upward as the week progressed, reflecting the increased demand brought on by approaching religious holidays. Graded white eggs were especially wanted for the Easter trade. A sharp upswing in the forward price for eggs at midweek was also a strengthening factor in the cash trade.

At the same time, live poultry prices were generally firm, except for turkeys which were in somewhat greater supply than could readily be absorbed. Prices on such stock declined from 2 to 4 cents. Heavy fowl and chickens sold readily due to the shortage of red meats and the approaching Jewish holidays.

No change was reported in the tight butter and cheese situation, with supplies restricted by dealers to regular customers at ceiling prices.

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PRODUCTION AND MARKETING ADMINISTRATION5 South Wabash Avenue
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April 21, 1956

State Offices, Production and Marketing Administration, Midwest Area

TO: Walter W. John, Chief, Information Service, Production and Marketing Administration, Midwest Area, Chicago, Illinois

Victory Gardens

As part of the present drive for victory gardens, the Chicago & Northwestern Railway is running a victory garden special train to "points west," beginning April 28. The special train will contain a large variety of exhibits on the how and why of home vegetable gardens this year, including latest information on H.O.P., 2-4-D, and other scientific developments. Several outstanding agricultural authorities will be on the train to discuss and demonstrate food production and processing. The train is sponsored by the National Garden Institute and the Chicago & Northwestern Railway. Following is the schedule:

April 28	- Chicago (Northwestern Terminal)	2:00 - 6:00 p.m.
April 29	- Sterling, Illinois Clinton, Iowa Cedar Rapids, Iowa	9:00 - 11:00 a.m. 1:30 - 4:30 p.m. 7:00 - 10:00 p.m.
April 30	- Des Moines, Iowa Omaha, Nebraska	9:00 - 11:30 a.m. 7:00 - 10:00 p.m.
May 1	- Sioux City, Iowa Worthington, Minnesota Sioux Falls, South Dakota	9:00 - 11:30 a.m. 2:00 - 4:00 p.m. 7:00 - 10:00 p.m.
May 2	- Minneapolis, Minnesota St. Paul, Minnesota Eau Claire, Wisconsin	9:00 - 11:00 a.m. 1:30 - 4:30 p.m. 7:00 - 10:00 p.m.
May 3	- Wausau, Wisconsin Green Bay, Wisconsin Sheboygan, Wisconsin	9:00 - 11:30 a.m. 1:30 - 4:30 p.m. 7:00 - 10:00 p.m.
May 4	- Milwaukee, Wisconsin Madison, Wisconsin	9:00 - 11:30 a.m. 2:00 - 5:00 p.m.

Tobacco Deal

In much to my regret I had a story that has gotten out about trade allocations to the effect that the Department of Agriculture is allocating 40,000 tons of prop-in-war fertilizer for tobacco this year. The truth is that the Department allocated 1000 tons for the months of January, February and March, and the allocation is apt to be as small or less for this quarter, although it has not been announced. The allotment last year was 40,000 tons and before the war was 140,000 tons a year. Please spike the misinformation if it comes your way.

Fat Salvage

You will be receiving from the American Fat Salvage Committee, copy of a speech given by Mr. Wilder Breckenridge, manager of the Committee, before the Chicago Livestock Industries Club in Chicago last Thursday. It is an excellent summary of the fat salvage program since its beginning, and I am sure you will find much helpful information on it in answering questions and promoting fat salvage. Because of the critical shortage of fats and oils, this program of saving used fats seems as important as, if not more so, than during the war. Making full use of all fats is one way of saving lives in Europe and Asia.

Livestock Branch

Announcement of fall pig goal -- mentioned last week --- probably will come this week.

Office of Claimants Program Coordination

Due to famine crisis, cash food purchases for foreign countries -- principally Great Britain, France, Holland, Belgium, and India -- will be continued indefinitely. P.M.A. recommendations that purchases apply generally to commodities in short supply also approved. This policy applies where either claimants would be unable to get quantities allocated to them if it were on commercial basis or where such factors as price support activities make P.M.A. procurement advisable. Since program inception last October claimant countries have deposited \$310,000,000 with U.S.D.A. for purchases of American farm products. Press release now being prepared.

Fruit and Vegetable Branch

On basis of estimates of early commercial potato crop, sales may be on high during 1st week, probably early in May. Meeting of representatives of P&V and Food Distribution Programs Branch held April 18, and plans for abundant food program on early crops already underway. Also looks like intermediates and late crops will need rushing hard, what with pipelines already pretty much full and needs of armed forces down.

U.S.D.A. recently completed negotiations for sale of 564,134 pounds dehydrated vegetable soup to Army. Soup packed in 1943. This sale, together with ~~other~~ or smaller stocks other type soup, will clean up surplus inventories of older packs.

Reports from over country indicate extensive shortages of fresh fruit containers and packers' supplies -- including packing paper, liners, boxes, crates, ~~clips~~ paper, caps, and cushions.

Reports from Laredo, Texas, market news office indicate that onion shipments are underway more rapidly than expected, passing 200-car-a-day mark April 15.

Unusual interest in air shipment of strawberries from Louisiana. Some being flown by planes providing daily perishable commodity flight service -- others handled by Railway Express in combination rail-air service.

Food Distribution Programs Branch

Letter from F&V Branch asks for abundant food program on potatoes. Committee being appointed. Will consist of representatives of this branch, P.R.A. Information Service, F&V Branch, and possibly Field Service Branch. Since time is of the essence branch hopes to have committee completed and meeting next Monday or Tuesday.

Branch representatives are personally calling upon "served food" industries to further Famine Emergency Program.

Branch is calling meetings with U. S. Office of Education, Extension, REA, Farm Security Administration, and OPA to complete 1946 community canning program and determine where each Agency fits into picture.

Materials and Equipment Branch

No apparent improvement in farm machinery output. International Harvester advised informally it has reached agreement with CIO, but agreement requires approval of local unions. Production not resumed. Allis-Chalmers made no progress in settling labor difficulties this past week. Plants not shut down by strike are having difficulties getting materials.

Supply of all containers remains critical. Paper, textiles, nails, and tin plates more critical during past week. Some progress made in getting new surplus nails for West Coast fruit and vegetable shipping containers.

Production of alcohol from surplus potatoes jumped this past week due to grain shortage. Distillers paid 55 cents to \$1.25 hundred pounds delivered. Prices expected to go higher.

Estimated daily loss of ammonium sulphate is 2,000 tons -- caused by closing coke ovens in steel industry and in certain public coke and gas plants.

Poultry Branch

Purchase program for frozen whole eggs for sale to British has been shelved. Present market conditions show sufficient strength to make such program unnecessary.

Packaging of dried eggs in 5-ounce containers is progressing with three plants in operation and total of 10 expected to be operating shortly. Eggs, equipment, and labor are available but major problem is container shortage. Branch expected to be able to meet its commitment to package about 35 million pounds in 5-ounce containers, although, because of container shortage, job may not be completed as early as anticipated. Distribution in England during June is probable.

As indicated by latest EAM report, pattern of commercial hatchery production still satisfactory and so far does not suggest necessity of control order. However, culling progress is angle to watch, as suggested by fifth point of Chester Davis' recommendations (dated April 9 and transmitted April 17) to the President for additional measures to intensify drive under the Famine Emergency Program.

Special Commodities Branch

Undersecretary has signed docket permitting purchase of 1,300 tons additional
black (India) pepper. Increasing quantity authorized for purchase under War
Food Board allocation to 5,300 tons. Docket also provides that authority
be broadened to cover possible purchase of whole black pepper or its equivalent
of white pepper from Dutch East Indies.

Dairy Branch

Dairy products market continues firm to very firm. Butterfat demand intense.
Milk production gained seasonally -- excepting last year was at record levels.
Fluid milk demands broad. Fluid cream market demand intense and increasing...
Evaporated milk short -- production estimate 28-30 percent below last year...
Butter, cheese, casein, and sweetened condensed far short...Nonfat dry milk
active, with increasing supplies readily absorbed...Cream buyers in market not
only for current needs, but trying to build up backlogs for next fall and winter.
Many dealers oversold on plastic cream and refused new business...Some unsold
butter moved into storage for later use in ice cream manufacture.

Labor Branch

BAA estimates for first quarter show domestic hired hand employment about same
as year ago with farm wages continuing to increase as farmers bid for help to
plant 1946 crops. However, during this period, family workers increased enough
to lift total domestic farm employment April 1, about 2 percent over year ago.
Transported labor employment totals 28,700. These workers are carry-overs from
1945 season. Of this total, 19,121 are Mexicans, 4,900 are Jamaicans, and 3,771
are Bahamians. Majority of Mexicans employed in California, while most of
Jamaicans and Bahamians now in Florida fields.

Shipping and Storage Branch

Embargoes still limit box and refrigerator car shipments to New York and export
freight to Baltimore and Philadelphia. Philadelphia situation much improved.

In Midwest shippers have little trouble getting box cars. Meat packers, however,
can't get enough cattle to fill contracts. Lard boxes scarce. Warehouse inventories
of all commodities at very low of 35,370,000 pounds.

Fats and Oils Branch

Netherlands Purchasing Commission has requested U. S. representatives be sent to
Netherlands East Indies to assist in development of copra procurement program.
Copra is coming from Philippines in increasing quantities, and East is impressed
with U. S. ability to get things done.

Announcement of second quarter fats and oils allocations will be made on pending re-check of European export requirements. Any increase in these requirements would result in further reduction of U. S. civilian allocations. Meanwhile, temporary allocations have been made so shipping quotas can be met pending firm allocations.

Sugar Branch

Word still awaited from Cuba on 1946-47 sugar contract proposals.

Quick settlement of sugar strike in most East Coast cane sugar refineries will prevent any noticeable shortages to consumers or industrial users. Ships called off sugar run due to strike threat being put back into that service to ensure adequate liftings of raw sugar at Cuban and Puerto Rican ports.

Grain Branch

Urgency of inducing farmers to sell their wheat indicated by fact that market supplies are far below quantities needed for domestic consumption and exports. Pipelines between country elevators and export terminals running dry. No figures available yet on quantities bought from farmers under wheat emergency purchase program.

Rice supplies also running low in all markets. Only limited quantities remain at mills for shipment to domestic trade. Trade reports indicate another record acreage may be seeded if weather continues favorable.

Cotton Branch

Carryover of American cotton in United States may total 7 million bales August 1, against little over 11 million bales on that date last year. Large exports account principally for reduction in supply. CCC stocks reduced by nearly 4 million bales since last August -- through exports and sales in domestic market. CCC portion of total supply this August will be smallest in many years. U.S.D.A. cotton export subsidy (4 cents a pound) will be continued through June 30, 1947.

Field Service Branch

Three members of Washington staff coming to Northwest to give any help needed to encourage movement of wheat off farms, particularly in Minnesota, Dakotas, Montana, and Nebraska. May try to arrange some national publicity from spring wheat belt. Farm-to-farm canvass being considered.

Marketing Facilities Branch

All major railroads (Class I) are petitioning Interstate Commerce Commission for 25 percent increases in freight rates, with slightly smaller increase for some agricultural products. Railroads want rates effective May 15. Branch studying proposal and feels some increase may be justified, but probably won't go along on freight boost of 25 percent for most agricultural products.

Grain and grain product carloadings continued to decline. For week ending April 6, loadings were 37,637 cars -- decrease of 11.7 percent from previous week and 18.8 percent from same week year ago.

Refrigerator carloadings this past week declined seasonally, but still heavy for time of year.

If industrial production gets under way in large volume, there may be serious shortage of box cars to move new grain crop during flush season. To meet situation, Association of American Railroads now making plans to concentrate box cars in southwest grain producing areas.

Livestock loadings for week ending April 6 were 15,982 cars -- slightly higher than previous week and 10 percent higher than same week last year.

Livestock exports through UNRRA well under way. Movement practically at capacity through ports equipped for loading livestock. Effort being made to equip more ports to handle livestock.

Trend of the Markets

Conditions in the cattle trade at the midwestern markets were much the same as in recent weeks. Pending the time when the new controls on livestock slaughter go into effect, eastern shippers and small local independent packers continued to buy most of the cattle supplies. There were no important price changes on any slaughter class of stock as compared with the higher levels reached during the previous three weeks although the average trend was somewhat weaker. Good and choice steers and yearlings sold from \$15.50 to \$17.50, with few reaching ceiling.

Marketings of cattle, as well as hogs, were smaller than the previous week. Some observers attributed this to the wait and see attitude of farmers awaiting Congressional decisions on the future of OPA and the effect upon prices.

There was likewise no change in the hog trade at any point, with buyers continuing to readily pay the ceiling for any and all hogs with the least slaughter merit. Quality and weights improved and an even larger percentage of the crop than recently sold at ceilings.

Following the previous week's trade in fat lambs, when prices reached the highest levels in a year or more, supplies of this class of stock were considerably larger. Twelve of the leading terminals received about 40,000 head more than they did in the preceding week. The result was a sharply lower price trend, with closing prices at most of the central markets from 25 to 75¢ or more lower.

The future grain market at Chicago was again highlighted by new high prices for May deliveries of rye. Prices reached \$2.34 3/4 at midweek, which was an all time high mark. Oats continued active, but showed occasional weakness. Wheat and corn both held tight against the ceiling, although trading was light. Barley also held at ceiling, with trading practically nil.

Meanwhile, cash grain prices were again nominally steady as practically no offerings appeared on the open market. Most of the arrivals were applied on previous contracts, reportedly at ceiling plus all allowable mark-ups.

Firm prices for eggs reflected the broad demand for supplies to meet Easter holiday and storage requirements. At the same time, there was record activity in egg futures due to a favorable price spread for hedging purposes.

Not to be outdone by the price trend on eggs, live poultry also brought firm prices. Demand was stimulated to a large extent by the scarcity of red meats. Supplies of both live and dressed poultry were frequently short of trade requirements.

Western lettuce was among the fresh fruits and vegetables which sold at lower prices on the Chicago wholesale produce market. Asparagus also declined on moderate offerings. Cauliflower and green peas were down slightly, although cauliflower still was rather high priced. So were shallots and green onions. Increased offerings of tomatoes held steady for the better quality offerings, but the poorer grade stock and small sizes sold at considerable discount. Old crop potatoes were in moderate supply, with the market showing a slightly weaker tendency on most offerings. New potatoes from Texas slowed a somewhat weaker trend toward the close of the week. Light offerings of apples were in good demand at ceiling, while heavier supplies of strawberries sold weaker. Oranges were higher priced, with increased ceilings going into effect around the middle of the week. Grapefruit held generally steady.

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